

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 7030

BILL NUMBER: HB 1573

NOTE PREPARED: Jan 10, 2005

BILL AMENDED:

SUBJECT: Agricultural vehicles and excise tax issues.

FIRST AUTHOR: Rep. Cherry

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
DEDICATED
FEDERAL

IMPACT: Pending

Summary of Legislation: Reduces the annual excise tax for a certain vehicles used in farming operations from 50% to 25% of the amount for other vehicles of the same declared gross weight. Provides that for purposes of determining the annual excise tax for a commercial vehicle, growth in the base year is determined by the lesser of the assessed value growth quotient or 105%. Changes the defined term "implement of husbandry" to "implement of agriculture" for purposes of the motor vehicle code, and requires the bureau of motor vehicles (bureau) to determine categories of implements of agriculture by rule. Redefines the term "farm tractor" for purposes of the motor vehicle code. Defines "special machinery" and sets a fee for registration. Provides that certain motor vehicles may be operated and registered as farm trucks, farm trailers, or farm semitrailers and tractors if not used for certain commercial enterprises. Makes it a Class C infraction (and a Class B infraction for a second offense within three years) to operate or own a farm truck, farm trailer, or farm semitrailer and tractor if the vehicle is used for certain commercial enterprises. Requires the bureau to adopt rules to identify and define "farm truck", "farm trailer", and "farm semitrailer and tractor". Prohibits a police officer from impounding certain farm products when a vehicle is discovered in violation of registration requirements, and removes the penalty against an officer for a reckless violation of this provision. Revises the exclusion of certain garden tractors from the application of the waste tire management fund fee. Repeals the definitions of "farm machinery", "farm tractor used in transportation", and "special farm machinery", and repeals references to those terms within the motor vehicle code. Deletes an obsolete reference to a financing statement for a farm tractor. Repeals the license fee for certain vehicles used in farming operations. Makes conforming amendments.

Effective Date: Upon passage; July 1, 2005.

Explanation of State Expenditures: *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact*

statement.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

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